

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF PUERTO RICO

IN RE:	CASE NO. 19-01384- ESL11
CARLOS H. ORTIZ COLON	CHAPTER 11
XXX – XX – 3410	
MARIBEL RODRÍGUEZ RÍOS	
XXX – XX – 8779	

IN RE:	CASE NO. 19-01386-ESL11
VAQUERIA ORTIZ RODRIGUEZ INC	CHAPTER 11
660 – 55 – 6472	

**MOTION REQUESTING ENTRY OF ORDER AUTHORIZING THE LEASE OF 10,000
LTS OF MILK QUOTA**

TO THE HONORABLE COURT:

COME NOW the Debtors **CARLOS H. ORTÍZ COLÓN** and his wife **MARIBEL RODRÍGUEZ RÍOS**; and **VAQUERÍA ORTÍZ RODRÍGUEZ INC.** through the undersigned attorney and very respectfully set forth and pray:

1. On March 14, 2019 the Debtors, CARLOS H. ORTÍZ COLÓN and his wife MARIBEL RODRÍGUEZ RÍOS filed a voluntary petition for relief under the provisions of 11 U.S.C.

§1101 et. seq. numbered 19-01384-ESL11, and as of that date they have been managing their affairs and operating their business.

2. On March 14, 2019 the Debtor, VAQUERÍA ORTÍZ RODRÍGUEZ INC. filed a voluntary petition for relief under the provisions of 11 U.S.C. §1101 et. seq. numbered 19-01386-ESL11 and as of that date the Debtor has been managing its affairs and operating its business.
3. On May 29, 2019 the Debtors, CARLOS H. ORTÍZ COLÓN and his wife MARIBEL RODRÍGUEZ RÍOS; and VAQUERÍA ORTÍZ RODRÍGUEZ INC. requested the Administrative Consolidation of their cases and the Court granted it in open Court on June 4, 2019 (Docket No. 54).
4. The Debtor VAQUERÍA ORTÍZ RODRÍGUEZ INC. (“VOR”) operates a dairy farm under license #3111 as authorized by the Oficina de Reglamentación de Industria Lechera (“ORIL”) in 90.0 cuerdas owned by Carlos H Ortiz Colon and Maribel Rodríguez, located at Rd 123, Formed Rd. 10 “Sector Jaguar” in Arecibo PR. The Debtor (Vaquería Ortiz Rodríguez Inc) has a bi-weekly milk production quota of 93,010 liters.
5. The Debtor, Vaquería Ortiz Rodríguez Inc. has an interested party in leasing from it the 10,000 liters of VOR’s Milk Quota. JOEL ANIBAL DELGADO LÓPEZ and JEANNETTE MILAGROS MORALE SEDA (from hereon, the “lessees”) have offered to lease 10,000 liters of bi-weekly milk quota from VOR. The lessees have a license from ORIL numbered 2945 with physical address of their farm Carr. 478 Km. 3.3 Quebradillas, PR 00678-1199, and postal address PO Box 1199 Quebradillas PR 00678-1199. The lessees are Debtors under bankruptcy case 17-05680-BKT12 and will request Court’s authorization in their case in order to execute the lease procured herein.

6. The payment for the leased milk quota will be \$0.10 per liter which is equivalent to \$1,000 bi-weekly. This payment will be made by direct debit (“cession de planta”) from the milk sales of the lessee to Suiza Dairy Corp, or Vaqueria Tres Monjitas Inc, and will be sent directly to the secured creditor of Vaquería Ortiz Rodriguez Inc., Condado 4 LLC, at its address PO Box 190085, San Juan PR 00919
7. The lease term is SIX (6) MONTHS. This term will begin to count/compute once this Honorable Court has approved this lease agreement and it is presented in ORIL. The Six (6) months will begin to count/compute once the lessees begin to use the leased quota and this is when ORIL passes the quota on to his license. The parties can extend these six (6) months term for additional six (6) months by agreement between them and by requesting authorization from the Court. The maximum term will be twelve (12) months.
8. The funds derived from this lease agreement will be used to pay secured creditor as part of the Chapter 11 Plan of Reorganization of the Debtor Vaquería Ortiz Rodriguez Inc. This payment will allow the Debtor, VOR, to file a feasible Plan and have enough funds to pay the secured creditor, Condado 4 LLC. Without these funds the Debtor would have to sell or lose its collateral (the Milk Quota). The time proposed for the lease (6 months) will allow the Debtors to proceed with obtaining a loan to purchase milking heifers and at the end of the 6 months period, have the cows to fully utilize/maximize the 93,010 of Milk Quota it owns.
9. It is respectfully requested that this Honorable Court approves the proposed lease of milk quota as described herein.
10. Once this lease is approved by this Honorable Court the parties will prepare a notarized contract and submit the same with copy of this motion and the order of the Court to ORIL.

11. Currently there is no Order from ORIL, that prohibits the leases, sales and or transfers of Milk Quota.

REQUEST TO SHORTEN OBJECTION PERIOD

12. Pursuant to FRBP 9006 (c) (1) the Court may reduce the objection period of a determined Motion “*when an act is required or allowed to be done at or within a specified time by these rules or by a notice given thereunder or by order of court, the court for cause shown may in its discretion with or without motion or notice order the period reduced.*”

13. The parties understand that there is cause for shortening the objection period of this Motion to Seven (7) days since they are in urgent need of additional funds to pay the Secured Creditor and to obtain a breathing space in order to continue with the loan process. The proposed lease will allow said space because they will be able to file a Stipulation with the Secured Creditor and a Confirmable Chapter 11 Plan.

WHEREFORE the Debtors herein requests that this Honorable Court takes notice of this Motion and approves the lease of Milk Quota of 10,000 liters as described herein as described herein.

RESPECTFULLY SUBMITTED

In Mayaguez, PR this July 8, 2019

NOTICE

Within SEVEN (7) days after service as evidenced by the certification, and an additional three (3) days pursuant to Fed. R. Bank. P. 9006(f) if you were served by mail, any party

against whom this paper has been served, or any other party to the action who objects to the relief sought herein, shall serve and file an objection or other appropriate response to this paper with the clerks office of the United States Bankruptcy Court for the District of Puerto Rico. If no objection or other response is filed within the time allowed herein, the paper will be deemed unopposed and may be granted unless: (i) the requested relief is forbidden by law; (ii) the requested relief is against public policy; or (iii) in the opinion of the court, the interest of justice requires otherwise.

CERTIFICATE OF SERVICE

Notice of this MOTION has been electronically provided by the CM/ECF system to: The **US Trustee** for the District of Puerto Rico and to all attorneys and Creditors that have filed a notice of appearance. The non-CM/ECF participants will be notified by first class mail as per the Master Address List included herein. The following Parties will be notified by email directly:

Edward Hill, Esq. – as Counsel for ORIL at ehill@hillgonzalezlaw.com; will also be notified by CERTIFIED MAIL at: P.M.B 248 La Cumbre, 273 Sierra Morena San Juan, P.R. 00926

Puerto Rico Dairy Industry Regulation Office (ORIL) at: oril@agricultura.pr.gov; and by CERTIFIED MAIL at: Apartado 10163, Santurce PR 00908

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